GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4092
ANSWERED ON:14.12.2001
I.T. EXEMPTIONS TO GOLF CLUB
SANJAY PASWAN;VINAY KUMAR SORAKE

Will the Minister of FINANCE be pleased to state:

(a) whether the exemption granted by the Central Board of Direct Taxes to Delhi Golf Club under Section 10(23) of the IT Act,during 1998-99 was inconsistent with the provisions of the Act;

(b) if so, whether the Department is contesting the case for similar exemption claimed by the Chandigarh Golf Club in the Punjab and Haryana High Court;

(c) if so, the reasons for adopting this double-standards in granting exemption;

(d) whether the income of the Golf Clubs mainly comprises of catering services, swimming pool etc. which do not qualify for tax exemptions;

(e) if so, whether the Government have conducted any survey in this regard;

(f) if so, the outcome thereof and if not, the reasons therefor; and
(g) the action taken/proposed to be taken in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a): Exemption for the years 1991-92 to 1993-94 were granted during 1998-99 as per the provisions of the Income-tax Act, 1961.

(b): Yes, Sir.

(c): Decisions in two cases have been taken on the basis of facts and circumstances, peculiar to each of them.

(d): Incomes of Golf Clubs consist of several items including income from catering services, swimming pool etc. Exemption would depend as to whether the same are incidental to the attainment of the objectives of the Clubs.

(e) & (f): No surveys of Golf Clubs have been conducted as there were no grounds for the same.

(g): Does not arise.